GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2639
ANSWERED ON:25.11.2010
TECHNOLOGY USED BY PSUS
Joshi Shri Mahesh

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether most of the Public Sector Undertakings (PSUs) are using obsolete technology;

(b) if so, the details thereof, PSU-wise:

(c) whether these undertakings are suffering heavy losses due to obsolete technology:

(d) if so, the details thereof; and

(e) the remedial measures adopted or proposed to be adopted by the Government in this regard?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a) & (b): Development in technology is a continuous process. Generally, CPSEs have been inducting new technology in production/provision of goods and services. Details of technologies used by CPSEs is not maintained centrally.

(c) & (d) : As per Public Enterprise Survey 2008-09, out of 213 operating CPSEs as on 31.03.2009, 38 companies have been continuously making losses for the last 3 years. The reasons for losses are enterprise specific, which inter-alia include lack of working capital, surplus manpower, old plant and machinery, obsolete technology, heavy interest burden, weak marketing strategy, etc.

(e) : The Government established the Board for Reconstruction of Public Sector Enterprises (BRPSE) in December, 2004 to advise the Government for strengthening, modernization, reviving and restructuring of CPSEs. While recommending the revival of sick CPSEs, BRPSE has recommended induction of new technology wherever required. Based on the recommendations of BRPSE, Government has approved a sum of Rs. 739.24 crore for purchase of technology / machinery / plant upgradation /modernization in 11 CPSEs.